



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

FOR IMMEDIATE RELEASE
May 12, 2005

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**BAY AREA SENIORS, CALIFORNIA STATE TREASURER ANGELIDES URGE
GOVERNOR SCHWARZENEGGER TO ABANDON HIS \$135 MILLION
TAX INCREASE ON THE ELDERLY, BLIND AND DISABLED**

*On Day Before Governor Unveils Revised Budget, Seniors Urge Schwarzenegger to Restore
Property Tax Relief and Renters' Tax Assistance*

SAN JOSE, CA – California State Treasurer Phil Angelides today joined a coalition of Bay Area senior citizens at Willows Senior Center in San Jose to urge Governor Schwarzenegger to abandon his budget plans to raise taxes on elderly, blind and disabled Californians living on fixed incomes, which will strip away \$135 million in tax relief which they now receive. The Governor is scheduled to release his revised budget on Friday.

Released in January, Governor Schwarzenegger's budget proposed to eliminate the Senior Citizens' Property Tax Assistance program and slash the Senior Citizen Renters' Tax Assistance program, which provide tax relief to over 280,000 elderly, blind and disabled renters and homeowners in California.

"The Governor has refused to close corporate loopholes or ask the most fortunate among us to shoulder one additional ounce of budgetary burden, yet he is raising taxes on elderly, blind and disabled Californians," said Angelides. "The Governor's budget priorities are wrong and unfair. I urge the Governor to scrap these tax increases in his revised budget and to balance the budget fairly."

"These tax assistance programs help limited-income seniors to make ends meet each month...to buy medicine, pay for utilities, or buy groceries. Senior citizens and people with disabilities are the last people in California that should be targeted for tax hikes," said Anne Mack, Chair, Congress of California Seniors, South Bay Region.

Governor Schwarzenegger's budget calls for the elimination of tax relief provided through the Senior Citizens' Property Tax Assistance program for 156,000 elderly, blind and disabled homeowners. Currently, senior citizens, and blind and disabled Californians earning less than \$37,676 a year are eligible for up to \$473 a year in property tax relief per household.

Under the Governor's proposal, elderly, blind, and disabled homeowners would no longer be eligible for this annual property tax reduction. While homeowners would be able to defer property taxes with interest, they would still be fully liable for all taxes and would have a lien placed on their home until the property is sold or the owner dies. Ultimately, elderly, blind and disabled homeowners or their heirs would be required to pay the deferred property taxes, with interest.

The Governor's budget also calls for reducing eligibility for the Seniors Citizen Renters' Tax Assistance program, denying 125,000 Californians tax relief. Under current law, senior, blind and disabled California renters with incomes under \$37,000 receive an average of \$308 in tax relief per year. Under the Governor's proposal, only the elderly, blind and disabled with incomes below \$13,200 would be eligible for the program.

"It's time for Governor Schwarzenegger to put forth a budget that is fair, creates opportunity and moves California forward," Angelides concluded.

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